

MONTANA LEGISLATIVE HISTORY

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Chapter 396 19 93

Bill H 222 S _____ Original bill & history C

H. Committee on Business & Economic Development

Hearing Date(s) Jan 28 ✓ C

Feb 08 ✓ C

_____ C

_____ C

Date Out Feb 08 ✓ C

S. Committee on Business & Industry

Hearing Date(s) Mar 03 ✓ C

Mar 18 ✓ C

_____ C

_____ C

Mar 18 ✓ C

Did this bill originate in an interim committee? Yes No

Committee _____

Report _____

2/06	2ND READING PASSED	96	1
2/09	3RD READING PASSED	96	2
	TRANSMITTED TO SENATE		
2/11	FIRST READING		
2/11	REFERRED TO PUBLIC HEALTH, WELFARE & SAFETY		
3/10	HEARING		
3/30	COMMITTEE REPORT—BILL CONCURRED AS AMENDED		
3/31	2ND READING CONCURRED	49	0
4/01	3RD READING CONCURRED	48	0
	RETURNED TO HOUSE WITH AMENDMENTS		
4/06	2ND READING AMENDMENTS CONCURRED	96	1
4/12	3RD READING AMENDMENTS CONCURRED	99	0
4/20	SIGNED BY SPEAKER		
4/20	SIGNED BY PRESIDENT		
4/21	TRANSMITTED TO GOVERNOR		
4/22	SIGNED BY GOVERNOR		
	CHAPTER NUMBER 476		
	EFFECTIVE DATE: 10/01/93		

HB 221 INTRODUCED BY SCHYE, ET AL.

ALLOW COUNTY TO ESTABLISH GRANT PROGRAM FOR PRIVATE ARTS
AND HUMANITIES OR MUSEUM FACILITY, TO BE FUNDED BY MILL LEVY

1/18	INTRODUCED		
1/18	REFERRED TO TAXATION		
1/18	FIRST READING		
1/28	HEARING		
1/29	COMMITTEE REPORT—BILL PASSED		
2/01	2ND READING PASSED	88	8
2/03	3RD READING PASSED	89	8
	TRANSMITTED TO SENATE		
2/04	FIRST READING		
2/04	REFERRED TO LOCAL GOVERNMENT		
3/25	HEARING		
3/27	COMMITTEE REPORT—BILL CONCURRED AS AMENDED		
3/30	2ND READING CONCURRED	34	10
3/31	3RD READING CONCURRED	41	8
	RETURNED TO HOUSE WITH AMENDMENTS		
4/02	2ND READING AMENDMENTS CONCURRED	86	12
4/05	3RD READING AMENDMENTS CONCURRED	85	14
4/13	SIGNED BY SPEAKER		
4/14	SIGNED BY PRESIDENT		
4/16	TRANSMITTED TO GOVERNOR		
4/21	SIGNED BY GOVERNOR		
	CHAPTER NUMBER 440		
	EFFECTIVE DATE: 10/01/93		

HB 222 INTRODUCED BY STANFORD, ET AL.

REVISE LICENSURE REQUIREMENTS FOR PERSONS SELLING,
INSTALLING, AND SERVICING FIRE PROTECTION EQUIPMENT
BY REQUEST OF DEPARTMENT OF JUSTICE

1/18	INTRODUCED		
1/18	REFERRED TO BUSINESS & ECONOMIC DEVELOPMENT		
1/18	FIRST READING		
1/18	FISCAL NOTE REQUESTED		
1/25	FISCAL NOTE RECEIVED		
1/25	FISCAL NOTE PRINTED		
1/28	HEARING		

2/09	COMMITTEE REPORT—BILL PASSED AS AMENDED		
2/11	2ND READING PASSED	80	19
2/13	3RD READING PASSED	80	18
	TRANSMITTED TO SENATE		
2/16	FIRST READING		
2/16	REFERRED TO BUSINESS & INDUSTRY		
3/03	HEARING		
3/19	COMMITTEE REPORT—BILL CONCURRED AS AMENDED		
3/20	2ND READING CONCURRED AS AMENDED	28	13
3/22	3RD READING CONCURRED	32	16
	RETURNED TO HOUSE WITH AMENDMENTS		
4/01	2ND READING AMENDMENTS CONCURRED	97	0
4/02	3RD READING AMENDMENTS CONCURRED	91	8
4/07	SIGNED BY SPEAKER		
4/13	SIGNED BY PRESIDENT		
4/14	TRANSMITTED TO GOVERNOR		
4/19	SIGNED BY GOVERNOR		
	CHAPTER NUMBER 396		
	EFFECTIVE DATE: 10/01/93		

HB 223 INTRODUCED BY GRINDE
REVISE TIME WHEN COUNTY TREASURER MUST REMIT STATE MONEY

1/18	INTRODUCED		
1/18	REFERRED TO LOCAL GOVERNMENT		
1/18	FIRST READING		
1/18	FISCAL NOTE REQUESTED		
1/22	FISCAL NOTE RECEIVED		
1/22	FISCAL NOTE PRINTED		
1/28	HEARING		
2/03	COMMITTEE REPORT—BILL PASSED		
2/05	2ND READING PASSED	98	0
2/08	3RD READING PASSED	99	0
	TRANSMITTED TO SENATE		
2/10	FIRST READING		
2/10	REFERRED TO LOCAL GOVERNMENT		
3/02	HEARING		
3/03	COMMITTEE REPORT—BILL CONCURRED		
3/04	2ND READING CONCURRED	49	0
3/05	3RD READING CONCURRED	49	0
	RETURNED TO HOUSE		
3/10	SIGNED BY SPEAKER		
3/12	SIGNED BY PRESIDENT		
3/15	TRANSMITTED TO GOVERNOR		
3/18	SIGNED BY GOVERNOR		
	CHAPTER NUMBER 102		
	EFFECTIVE DATE: 03/17/93		

HB 224 INTRODUCED BY SCHWINDEN
REQUIRE THAT RESIGNATION OF TRUSTEE OF A SCHOOL DISTRICT MUST
BE SUBMITTED TO SCHOOL DISTRICT CLERK

1/18	INTRODUCED		
1/18	REFERRED TO EDUCATION & CULTURAL RESOURCES		
1/18	FIRST READING		
1/25	HEARING		
1/26	COMMITTEE REPORT—BILL PASSED		
1/26	PLACED ON CONSENT CALENDAR		
1/28	3RD READING PASSED	100	0

In compliance with a written request, there is hereby submitted a Fiscal Note for HB0222, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION: An act revising licensure requirements for persons selling, installing, and servicing fire protection equipment.

ASSUMPTIONS:

1. About 350 entities will apply for an annual license (\$300), and each applicant will also apply for one annual endorsement (\$250), or total new revenue of \$192,500 (350 X \$550).
2. The new revenue will be deposited in a state special revenue fund account. Expenditures associated with the licensing and endorsement process will be expended from the account.
3. 3.00 FTE (Deputy Fire Marshall - grade 15; Plan Reviewer - grade 16; Clerical - grade 9) and associated costs, including start-up equipment in FY94, will be necessary to operate this expanded function.
4. The expanded licensing/endorsement function will become operational on October 1, 1993. The 3.00 new FTE will be hired by approximately October 1, 1993, and 75% of the staff travel costs will be reimbursed by the applicants.
5. The fees may be used only to administer the proposal; excess revenue may not be used to reduce general fund for related Fire Marshall functions and, therefore, remains in the new account.

FISCAL IMPACT:

Department of Justice, Fire Prevention & Investigation Bureau:

Expenditures:

	FY '94			FY '95		
	Current Law	Proposed Law	Difference	Current Law	Proposed Law	Difference
FTE	12.50	14.75	2.25	12.50	15.50	3.00
Personal Services	406,700	474,200	67,500	407,700	497,700	90,000
Operating	113,900	146,400	32,500	116,100	157,200	41,100
Equipment	33,830	74,330	40,500	36,000	36,000	0
Total	554,430	694,930	140,500	559,800	690,900	131,100

Funding:

General Fund	554,430	554,430	0	559,800	559,800	0
State Special Revenue	0	140,500	140,500	0	131,100	131,100
Total	554,430	694,930	140,500	559,800	690,900	131,100

Revenues:

License Fees (General Fund)	700	0	(700)	700	0	(700)
License/Endorse. Fees (State Special)	0	192,500	192,500	0	192,500	192,500
Travel reimbursement (State Special)	0	11,200	11,200	0	15,000	15,000
Total	700	203,700	203,000	700	207,500	206,800

Net Impact:

General Fund	(700)	(700)
State Special Revenue	63,200	76,400

TECHNICAL NOTES: The bill fails to establish the state special revenue fund account to collect and expend the fees.

Dave Lewis 1-23-93
DAVE LEWIS, BUDGET DIRECTOR DATE
Office of Budget and Program Planning

Wayne Stanford 1/25/93
WAYNE STANFORD, PRIMARY SPONSOR DATE
Fiscal Note for HB0222, as introduced

HB 222

Alexander said she would get that decision to the committee members. She noted that during her previous testimony regarding the decision, she quoted exactly what Judge Sherlock had said. The fact where Judge Sherlock states that the Legislature may want to amend this act to strengthen it, meant to her a recommendation to do that.

Rep. Mills asked Beth Baker with the present laws that Montana has why can't they be applied here and why is there a need for a new law instead of fixing the old law if it isn't working? Ms. Baker said this law was studied by an interim committee who determined it would be of benefit of all concerned if the dept. could spell out what the cost was, delivered cost, etc. She said this bill does make it more clear. The current statute could have been amended, but would have resulted in what is before the committee now. Rep. Mills asked if one gas station has a car wash and the one down the block doesn't, isn't that part of an unfair practice? Ms. Baker said it depends on the reason it is done. The Anti Trust Laws do not prohibit activity unless it injures competition. She said one thing the committee could consider with this bill if they are too concerned, is to leave out the amendment having to do with injury to competitors, but retaining the part pertaining to prim facie case of injury to competition. All Anti Trust Laws pertain to one thing, destroying competition that results in driving prices up.

Rep. Simon asked if it is true that the difficulty in the enforcement with regard to the Unfair Practice Act, that a person cannot prove the intent of sales below cost to destroy competition. Beth Baker said one of the grievances is the overall failure to enforce the Anti Trade Practice Laws.

Closing by Sponsor:

Rep. Grady closed stating that one of the key points was Judge Sherlock's decision to take the case because he felt that unfair practices were taking place, but could not rule on the issue at that time because he said the Legislature needs to define and make clear language as to what is actually hurting that individual or business. The amendments that are different came out in the last session and felt it should be addressed in this bill. He said the attorney would not have taken the case if he had felt there wasn't any wrong doing. Rep. Grady stated that he did not know of any laundromat connected to a gas station and felt it was not a good comparison. Gas is a necessity that people need to get to work, etc. He urged the committee for a do pass recommendation on HB 216.

HEARING ON HB 222

Opening Statement by Sponsor:

Rep. Wayne Stanford, House District 62, Stevensville, said HB 222 is an act revising licensure requirements for persons selling,

installing, and servicing fire protection equipment. He said there is a fiscal note to go with this bill. He said it has a question mark at the bottom of it, and hoped it would be answered with the following testimony. The fire marshal office has been required since 1967 to license persons who service and install fire extinguishers, fire alarm systems and fire extinguishing systems. The licensing system that is in place is outdated and the fire marshal's rule making authority needs to be clarified. The license program was studied by the fire prevention investigation advisory council; after receiving comments by the industry, the council decided to include licensing of businesses that sell, service, and install fire protection system. This bill does not apply to businesses that sell only fire extinguishers. The purpose of this bill is to update the statutes pertaining to licensing the fire protection equipment businesses, and clarify the department's rule making authority with respect to licensing, and provide a fee structure that will allow the fire prevention investigation bureau to ensure the qualification of license applicants maintain the fire safety standards required by law.

Proponents' Testimony:

Beth Baker, Department of Justice, said HB 222 is a request by the department and represents a product of considerable effort by the state fire prevention and investigation advisory council, the Department of Justice, and representatives of the respective industry. The bill is designed to modernize and streamline the licensing function of the state fire marshal's office with respect to fire prevention equipment. She distributed a fact sheet briefly describing the history of the program and the reason for the proposed changes. She pointed out the rule making authority to implement the licensing program. She said both the rule making authority and the misdemeanor penalties which are set forth in section 1 were in the 1967 statutes that created this licensing program. When the fire marshal's statutes were split and re-codified, the rule-making provision and misdemeanor penalties went into one chapter, and the licensing program into a different chapter. She addressed the fiscal note that states the bill does not create a special revenue account to account for the fees. She said the bill may need to be amended at a later date; she said they do have another bill before the House Taxation Committee that does create a special revenue account. She said it is their intent to coordinate this bill with the one in taxation. If it fails, there would have to be some appropriation from some other source, i.e., general fund etc. EXHIBIT 11

Mike Maroney, Palmer Electrical Contracting, Missoula, said he has been in the fire alarm business for 25 years and is a member of the IBEW, and disaster supervisor for Seattle, King County, Washington. In that capacity he responds to a lot of fires. He said one of the last fires he responded to in Seattle there were 5 deaths, three children and two adults, because the fire alarm system was put in by an unlicensed installer. In the last month

Vern Erickson, Montana State Firemen's Association, said they support all the previous testimony heard and urged the committee's to pass HB 222.

Bob Murphy, Business Manager of Local 185, said he is in favor of HB 222. He said they need this legislation for licensed personnel only to work on the fire alarm systems.

Larry McCann, Fire Marshal for the city of Billings, said he was the chairman of the committee that put HB 222 together. He urged the committee's support for this bill.

Lyle Nagle, Member of the Fire Prevention Investigation Bureau Advisory Board, said at the Chief's annual conference last September the resolution was introduced and passed unanimously to urge this committee to pass this legislation.

Bud Ladd, Bud's Extinguisher Service, Helena, said he supports this bill, but not in the way it was written, because there are some things in it that are wrong. He had asked the state Fire Marshal's Office how many shops they had in the state of Montana and they didn't know, he wanted to know how many people were licensed and what they are licensed for, and they didn't know. He said they have the information, but cannot get it. He wanted to know how the fees are based when they do not know how much they will bring in. He was told they had 700 shops, but the fiscal statement says it is based on 350 shops. This bill was designed for three things: 1) sprinkler systems; 2) fire alarm systems; and 3) overhead systems. He is a one man shop and has to pay a fee of \$500, a shop with three licensed people pays a total of \$500. He feels the same way as Mr. McCann who said, let the fees be charged accordingly to the work that they do and not a flat charge. He said this bill should be based on each and every licensed holder and a charge for each licensed person.

Informational Testimony:

A fax was received from C. John Hirschfelder, President of Northern Sound & Communication, in favor of HB 222. EXHIBIT 12

Opponents' Testimony:

Jack Martinz, Superior Fire Apparatus, said he is an opponent with the way the fees are, and the way the bill is written is another example of the anti-business climate in the state of Montana. He said Montana doesn't need more fees or ways of circumventing I-105, just more people paying the existing taxes that Montana has. Mr. Martinz said as he reads the bill he cannot believe what it states in regard to fees; it states the fee may not exceed \$50 for each license, permit or certificate issue; there's an annual fee of \$300 for license; an annual \$250 fee for each endorsement required; the fees may not be pro-rated in the year of the first application; and there's an additional

he found two nursing homes in the Missoula area that do not meet the electrical codes nor were wired properly. He is in favor of HB 222, but feels it needs to go further with the fire alarm licensing by placing it under the state licensing electrical board. He said in Washington, each city has their own licensing, not state controlled and their licensing fees are much higher than Montana.

Kelly Flaherty, Leasing, Inc., Helena, said they have been in the fire protection business for 27 years. She said they specialize in wet and dry chemical systems that are installed in kitchen exhaust hoods, commercial kitchens, offroad vehicles, etc. She said this legislation will put an end to the uninsured, untrained and unprofessionals in the state. She said the fire prevention and investigation bureau needs this money and legislation if they are to protect the consumer from the fraudulent practices that are now occurring in Montana. She urged the committee to pass HB 222.

Ben Loranzo, Missoula Fire Equipment, said he is a state representative for NAFD (National Association Fire Equipment Distributors). Less than fifty percent of his business is hand portable fire extinguishers. He said Montana needs this licensing law to govern not only the service, but the sale of fire extinguishers. He said HB 222 is way out of line in its fees for the sale of the fire extinguisher industry. He said the fees should be looked at by the committee, but he does favor the rest of the bill.

Ken & Terry Olson, Northern Tier, York, said they are the new kids on the block. They have seen portable fire extinguishers date back to 1946 that have not been checked and a lot more that have factory seals that are 18 and 19 years old. He said there isn't anyone out there to check if the work is being done properly. He said if they are to put this law in they need the fee to fund it to have the ability to inspect and make sure the job is being done right. He urged passage of HB 222.

Daniel Figgins, Bozeman Fire Marshal, said he started back in 1965 when most fireman fought fires. As time went on, their job has integrated into more of a code enforcement and regulatory agency. He said in reading the codes today, he has found ambiguity as far as uniform fire codes and building codes. He said this bill would give the fire marshals some credibility, legitimacy and consistency to determine who is qualified to do this type of work. He urged the committee to pass HB 222.

Lynn Perkins, Fire Suppressant System Inc., has helped with this kind of state legislation in the states of Texas and Tennessee. He is in favor of HB 222, providing the money be used to implement enforcement.

fee equal to the cost of processing the application. He feels the problem has not been properly addressed.

Sonny McLain, Big Sky Fire Equipment, Lewistown, said he opposes the bill the way it is written and the way the fees are charged. He asked that HB 222 be killed.

Questions From Committee Members and Responses:

Rep. Simon asked about the people that have to take the tests as an individual how does a corporation take a test, is it individuals being licensed or an entity? Mr. McCann said this could be addressed better, but each person has to take the test to receive their license.

Rep. Simon said the fiscal note indicates that the current license fee is \$700, and the maximum fee under current law is \$50. He said when only 14 entities are being licensed, under the fiscal note it anticipates as much as 350 entities will have an annual license fee of \$300, and asked if the department was going to charge \$2, \$350 or \$50 for the 14 entities. Beth Baker replied the fiscal note is misleading because the department hasn't had an annual renewal. She said there are 758 more licensees not on the log because the law in the past has not provided the department with rule making authority. She said it may be more feasible to have a lesser fee for the portable fire extinguishers because they are not involved in businesses.

Rep. Sonny Hanson asked Larry McCann if the fire marshals in the communities at this time have the authority to go in and inspect the various buildings and check to see if the pressurized extinguishers are up to date. Mr. McCann said that was correct.

Rep. Stella Jean Hansen asked Jack Martinz what he thought would be an appropriate fee. Mr. Martinz said he wasn't in a position to answer for everyone else, but he felt it should be a punitive fee.

Chairman Steve Benedict announced that he is placing HB 222 into a subcommittee. He said Rep. Brandewie would chair, and Rep. Larson and Rep. Bachini would join him.

Closing by Sponsor:

Rep. Wayne Stanford closed. He said it is good to have this taken care of by the Legislature rather than city by city. Local fire chiefs are doing the inspections at this time, but have very little training.

HOUSE OF REPRESENTATIVES
53RD LEGISLATURE - 1993
BUSINESS AND ECONOMIC DEVELOPMENT COMMITTEE

ROLL CALL

DATE 1-28-93

NAME	PRESENT	ABSENT	EXCUSED
REP. ALVIN ELLIS	✓		
REP. DICK KNOX	✓		
REP. NORM MILLS	✓		
REP. JOE BARNETT	✓		
REP. RAY BRANDEWIE	✓		
REP. JACK HERRON	✓		
REP. TIM DOWELL	✓		
REP. CARLEY TUSS	✓		
REP. STELLA JEAN HANSEN	✓		
REP. BOB PAVLOVICH	✓		
REP. VICKI COCCHIARELLA	✓		
REP. FRITZ DAILY	✓		
REP. BOB BACHINI	✓		
REP. DON LARSON	✓		
REP. BRUCE SIMON	✓		
REP. DOUG WAGNER	✓		
REP. SONNY HANSON, VICE CHAIRMAN	✓		
REP. STEVE BENEDICT, CHAIRMAN	✓		

HR:1993
wp.rollcall.man

FACT SHEET: HB 222
Department of Justice
January 1993

EXHIBIT 11
DATE 1-28-93
HB 222

Purpose: To revise provisions of Montana law relating to the licensure of businesses that sell, install and service certain fire protection equipment. The legislation aims to protect life and property from uncontrolled fire due to deficient fire protection systems.

Funding Source: State law now requires the Department of Justice to license, certify and register fire safety equipment businesses. The Department is authorized by law to collect fees of up to \$50 for each license, permit or certificate issued. In FY 92, the fees generated only \$700, which was deposited into the general fund.

Under HB 222, the fees would be increased to \$300 for a license and \$250 each for separate endorsements for fire extinguishers, fire alarm systems, special agent fire suppression systems and fire sprinkler systems. Representatives of the fire safety equipment industry participated in preparing this legislation and support the fee increase. The proposed fees are comparable to similar fees collected by neighboring states.

Need: The Fire Prevention and Investigation Bureau of the Department of Justice administers the licensing function. The Uniform Fire Code, which sets the standards for fire protection equipment, is updated every three years, but staff shortages have hampered the Bureau's ability to develop and administer examinations based on contemporary standards. The recording system and testing programs used by the Bureau are at least 20 years old.

This problem was examined by the Fire Prevention and Investigation Advisory Council, a statutorily created council whose function is to advise the Department of Justice on issues affecting fire services. Its members, appointed by the Attorney General, represent the fire service and law enforcement communities as well as the Legislature. The Council received input from the industry and determined that this legislation would provide the best means of ensuring consumer protection and public safety.

With over 20 years of accumulated licensing data, the Bureau's files include approximately 750-850 licenses for fire protection equipment businesses. Although administrative rule requires renewal every two years, many businesses have not requested renewal and probably are no longer active. The proposed legislation will permit adoption of rules that incorporate nationally recognized standards and will provide uniformity and reliability to the program. The Bureau expects to hire one plans reviewer, one deputy state fire marshal and one support staff member with the funds generated by the increased fees.

Relationship of Funding to Services Performed: The fees currently collected do not cover the costs of managing the program. Retention of the fees generated will enable the Bureau to review plans, inspect applicants' facilities, and maintain the fire safety standards required by state law and necessary to ensure public safety.

EXHIBIT 12
DATE 1-28-93
HB 222

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NORTHERN SOUND & COMMUNICATION

43 Woodland Park Drive
(406)752-3100

Kalispell, MT 59901
FAX(406)257-4890

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January 25, 1993

House Business & Economic Development Committee
Room 104
State of Montana

Gentlemen,

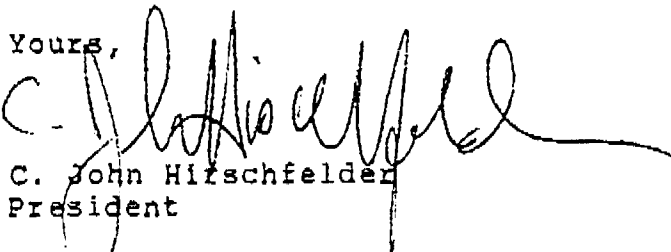
Northern Sound & Communication, Inc. produces approximately one hundred twenty five thousand dollars in gross sales annually of new fire alarm equipment in the State of Montana. An additional portion of our fire alarm revenues is service and additions to existing systems regardless of brand affiliation.

The systems I have seen, which at time of installation, did not meet existing Montana Electrical Codes, National Electrical Codes, and Underwriters Laboratories listings are too numerous to list. These systems are located in all types of building occupancies I.E. Licensed facilities & institutions, Motels/Hotels, Schools, public & private, Industrial applications and retail outlets. In general the unsuspecting building owners and consumers look to "Authorities Having Jurisdiction" to protect them from contractors and service personnel which either do not know code or just did not care enough to do a proper install.

The Department of Justice, Fire Marshals Bureau is that "authority" in a vast majority of the state. They therefore are the logical bureau to handle the state licensing of these "sales organizations & installers".

The fees asked for in the "Bill" are very minimal as a percentage of sales industry wide. Professionals active in the trade need to carry their own weight in these days of troubled financing and out of control budget deficits. To say that the public & consumers need a helping hand is a major under-statement. Northern Sound & Communication therefore very strongly supports more and better licensing in the state and that includes HOUSE BILL 222.

Yours,


C. John Hirschfelder
President

cc: file

HOUSE OF REPRESENTATIVES
VISITOR'S REGISTER

Business & Economic COMMITTEE BILL NO. HB 223
DATE Jan. 28, 1993 SPONSOR (S) Stamford
PLEASE PRINT PLEASE PRINT PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
Daniel Figgins	Bozeman Fire Dept.	✓	
Kelly FLAHERTY	LEASING, INC.	✓	
Ben Jarango	Missoula Fire Equip	✓	
MIKE MARONEY	POLMER ELECTRIC	✓	
Ken Olson	Northern tier Fire Protection	✓	
Terry Olson	Northern tier Fire Protection	✓	
Bruce Sherman	Justice	-	
Lyle Nagel Simms	MT. ST. FIRE CHIEF ASSN FPIB ADV. COUNCIL	✓	
ANITA VARONE	JUSTICE	✓	
KE McCanna	Billings Fire Dept	✓	
W. Erickson	MT State Fireman's Assn	✓	
BETH BAKER	DEPT OF JUSTICE	✓	
Dick Helt	Dick Helt & Co.	✓	
John Perkins	Fire Supp. Syst. Inc.	✓	

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS
ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.

Robert K. Murphy. LV 185 IBEW

HOUSE OF REPRESENTATIVES
VISITOR'S REGISTER

Business & Economics COMMITTEE BILL NO. HB 222
DATE 1-28-93 SPONSOR(S) Rep. Stanford
PLEASE PRINT PLEASE PRINT PLEASE PRINT

[illegible]

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.

Senator Lynch asked Representative Stanford how they could justify having 3 more FTE's. Senator Lynch then asked why the large corporations were being exempted from HB 222. Representative Stanford stated the current law is unenforceable and the 3 extra FTE's would allow for the manpower. He then stated if the Committee would like to add the large corporations, he would not object. He stated the corporations who are selling the portable fire extinguishers did not service them and the extinguishers were only valid for one year. He stated the corporations were not required to check and review the extinguishers and therefore did not need to be licensed to do so.

Senator Lynch asked Mr. Suenram how he justified that only 40% of the schools were being inspected. Mr. Suenram stated he had only been in the position for 10 months and he stated that previously inspections previously were not a priority for the office. He stated fire inspections were the main priority, but the situation has been amended. Senator Lynch then asked if the local fire departments aid the Marshals in inspections. Mr. Suenram stated the inspections were conducted by the local fire departments, but the Bureau was trying to cover the rural areas. Senator Lynch stated he felt there was not a need for any more bureaucracy and HB 222 would increase bureaucracy. Mr. Suenram stated the reason the volunteer fire departments do not conduct inspections is because they are not trained to do so. He stated there are only 19 "career" fire departments in Montana and an additional 5 or 6 which have career fire marshals to do inspections.

Senator Lynch asked Mr. Suenram what an inspection of a school would entail. Mr. Suenram stated an inspection should entail a complete look at the building and its exits, fire alarm systems and fire extinguishing systems.

Closing by Sponsor:

Representative Stanford stated HB 222 may need some revision and he was willing to work with the Committee on it. He stated if the Chair would like to assign a subcommittee, he would not object. He asked the Committee to work with the opponents.

HEARING ON HB 304

Opening Statement by Sponsor:

Representative Betty Lou Kasten, House District 28, stated HB 304 is a housekeeping bill. She stated HB 304 would clarify the language in the current law. Representative Kasten stated the original insurance consultant compensation law was that the insurer could not charge a consulting fee then sell a line of insurance for which they receive compensation. She stated the intent of the law would remain the same, but the interpretation of the law was incorrect. She stated the new language would not

Rep. Ellis asked if there is statistical evidence that people with personal bad driving records have poor driving records on company time? Roger McGlenn said only data of actuarial statistics have been found that for every moving violation on an individual's driving record, the percentage for having an accident increases. Mr. McGlenn said there are many commercial vehicles i.e., that are made available for personal use and definitely has an impact on personal and commercial driving records.

Closing by Sponsor:

Rep. Ryan closed stating there is difference between personal lives and on the job lives. He said this is a good employer/employee bill. The employer is struggling as it is with higher worker compensation rates, etc. The requirements that are placed on commercial driving licenses with strict state and federal requirements, and having the license revoked by effectively taking a person off the job hinders the employers present ability to hire the people they want or to discharge them. This bill does not affect those hiring statutes at all. HB 349 states that insurance companies will not be able to hold the companies and demand ransom because of what happened in a different set of circumstances. He said the person with a bad driving record should be the one to pay the higher insurance rates not the company.

EXECUTIVE ACTION ON HB 222

Motion: REP. BRANDEWIE MOVED HB 222 DO PASS.

Discussion: Rep. Brandewie moved amendments. He went through the amendments step by step. (This is the fire extinguisher bill). EXHIBIT 3

Motion/Vote: Rep. Bachini called the question. Voice vote was taken. Motion CARRIED unanimously.

Motion/Vote: REP. BRANDEWIE MOVED HB 222 DO PASS AS AMENDED. The question was called. Voice vote was taken. Motion CARRIED unanimously.

Vote: HB 222 DO PASS AS AMENDED. Motion CARRIED 18 - 0.

EXECUTIVE ACTION ON HB 349

Motion: REP. BRANDEWIE MOVED HB 349 DO NOT PASS.

Motion: REP. BACHINI MADE A SUBSTITUTE MOTION THAT HB 349 DO PASS.

HOUSE OF REPRESENTATIVES
53RD LEGISLATURE - 1993
BUSINESS AND ECONOMIC DEVELOPMENT COMMITTEE

ROLL CALL

DATE 2-8-92

NAME	PRESENT	ABSENT	EXCUSED
REP. ALVIN ELLIS	✓		
REP. DICK KNOX	✓		
REP. NORM MILLS	✓		
REP. JOE BARNETT	✓		
REP. RAY BRANDEWIE	✓		
REP. JACK HERRON	✓		
REP. TIM DOWELL	✓		
REP. CARLEY TUSS	✓		
REP. STELLA JEAN HANSEN	✓		
REP. BOB PAVLOVICH	✓		
REP. VICKI COCCHIARELLA	✓		
REP. FRITZ DAILY	✓		
REP. BOB BACHINI	✓		
REP. DON LARSON	✓		
REP. BRUCE SIMON	✓		
REP. DOUG WAGNER	✓		
REP. SONNY HANSON, VICE CHAIRMAN	✓		
REP. STEVE BENEDICT, CHAIRMAN	✓		

Amendments to House Bill No. 222 HB 222
First Reading Copy

For the Committee on Business and Economic Development

Prepared by Paul Verdon
February 7, 1993

1. Page 2, line 7.
Following: "Each"
Insert: "individual, except an apprentice, employed by the licensee to perform services under the"
2. Page 2, line 8.
Strike: "have separate department endorsements for"
Insert: "must obtain from the department an endorsement to service"
3. Page 2, line 9.
Following: "extinguishers"
Strike: "1"
Insert: "or to sell, service, or install:
 (a)"
Following: "systems"
Strike: ","
Insert: ";
 (b)"
4. Page 2, line 10.
Following: "suppression systems"
Strike: ", and"
Insert: "; or"
 (c)
5. Page 2, line 13.
Strike: "supervising"
Insert: "conducting"
6. Page 2, line 19.
Strike: "a"
Insert: "the required"
7. Page 3, line 7.
Following: "1"
Insert: "and"
8. Page 3, lines 9 through 12.
Following: "who" on line 9
Strike: remainder of line 9 through "(c)" on line 12
9. Page 3, line 21.
Following: "fee." on line 20
Insert: "(3) The department shall:
 (a) issue an endorsement to an applicant who scores a

passing grade on an examination devised or approved by the department; and

(b) annually renew the endorsement on payment of the endorsement fee and submission of satisfactory proof that the endorsee has completed continuing education, training, or testing required by the department."

10. Page 4, line 15.

Following: "license fee"

Insert: ":

(2)

Strike: "\$250"

11. Page 4, line 16.

Following: "50-39-101"

Strike: ":

Insert: ":

(a) \$100 to service fire extinguishers;

(b) \$175 to sell, service, or install fire alarm systems;

(c) \$175 to sell, service, or install special agent fire suppression systems; and

(d) \$175 to sell, service, or install fire extinguishing systems.

(3)"

12. Page 4, lines 20 through 22.

Strike: lines 20 through 22 in their entirety

13. Page 5, line 1.

Following: page 4

Insert: "NEW SECTION. Section 7. Deposit of fees. The fees collected under [section 5] must be deposited in an account in the state special revenue fund to the credit of the department of justice and appropriated to the department to administer [this act].

NEW SECTION. Section 8. Coordination instruction. If House Bill No. 207 is passed and approved, and if it creates a state special revenue account to fund the fire prevention and investigation activities of the department of justice, then [section 7 of this act] is void, and the fees collected under [section 5 of this act] must be deposited in the special revenue account created by House Bill No. 207."

Renumber: subsequent sections

14. Page 5, line 2.

Strike: "[Section 6] is"

Insert: "[Sections 6 and 7] are"

15. Page 5, line 4.

Following: "6"

Insert: "and 7"

MINUTES

MONTANA SENATE 53rd LEGISLATURE - REGULAR SESSION

COMMITTEE ON BUSINESS & INDUSTRY

Call to Order: By J.D. Lynch, Chair, on March 3, 1993, at 10:00 a.m.

ROLL CALL

Members Present:

Sen. J.D. Lynch, Chair (D)
Sen. Chris Christiaens, Vice Chair (D)
Sen. John Brenden (R)
Sen. Betty Bruski-Maus (D)
Sen. Delwyn Gage (R)
Sen. Ethel Harding (R)
Sen. Ed Kennedy (D)
Sen. Terry Klampe (D)
Sen. Francis Koehnke (D)
Sen. Kenneth Mesaros (R)
Sen. Doc Rea (D)
Sen. Bill Wilson (D)

Members Excused: None.

Members Absent: Senator Hager

Staff Present: Bart Campbell, Legislative Council
Kristie Wolter, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing: HB 222, HB 304, HB 339
Executive Action: HB 339

HEARING ON HB 222

Opening Statement by Sponsor:

Representative Wayne Stanford, House District 62, stated HB 222 was an act revising licensing requirements for persons installing, selling and servicing fire protection equipment. He stated the fiscal note had changed from \$203,000 to \$192,000. He stated the fire marshal's office has been required since 1967 to license persons who service and install fire extinguishers, fire alarm systems and fire extinguishing systems. He stated the licensing system in place is outdated and the fire marshals rule

making authority needs to be clarified. He stated the licensing program had been studied by the Fire Prevention Investigation Advisory Council and the Council had decided to include businesses which sells or installs fire protection systems. He stated HB 222 would not apply to businesses which only sell extinguishers. He stated HB 222 would update statutes pertaining to the licensing of fire protection equipment businesses and to clarify the department's rule making authority. He stated HB 222 would provide a fee structure which would allow the Fire Prevention Investigation Bureau to insure the qualifications of licenses, applicants and to maintain fire safety standards required by law. He stated HB 222 was consumer protection legislation.

Proponents' Testimony:

Beth Baker, Department of Justice supplied the Committee with a fact sheet on HB 222 (Exhibit #1). She stated HB 222 was designed to modernize and streamline the licensing function of the State Fire Marshal's office. She stated the law requires a minimal fee for the service of licensing, permitting and issuing certificates of registration. She stated section 1 of HB 222 would require a license for any of the fire protection equipment businesses regulated by the department. She stated each person performing services under the license would be required to obtain an endorsement for each category of equipment for which services will be provided. Ms. Baker stated section 1 would require the license to be displayed on the business premises and also carried in the field. She stated section 2 would clarify the qualifications for obtaining a license or an endorsement and allows the department to require proof of insurance. She stated sections 3 and 4 are "clean-up" provisions which clarify the department's responsibility in granting and denying licenses. She stated section 5 is the fee portion of HB 222. She stated the fees arrived at were reasonable and necessary for the installment and enforcement of the law by the Fire Marshall. Ms. Baker stated the State Fire Marshall has substantial responsibilities which need to be funded. She stated there is a vital public safety interest in HB 222 and the fees are well justified for this interest. She stated section 6 of HB 222 would provide for rule making authority to implement the licensing program. She stated the rule making authority and misdemeanor penalties which are contained in section 1 were included in the 1967 statute, but the provisions were "split off" from the licensing provisions and moved to a different chapter of the MCA. She stated section 6 would reinstate the authority.

Gary Brandewie, Bill Glazier's Montana Watering Systems, stated his support of HB 222. He stated after the installation of a system, people are not willing to have a licensed person service the system. He stated HB 222 would make the people inspecting the systems be licensed. He stated HB 222 would protect the consumers. He stated there were inspectors who "rag and tag" the

equipment by wiping the dust off and shine the brass and these people don't really service the equipment but get paid for it.

Kelly Flaherty, Past Owner and Manager, Fire Protection Business. She stated there are currently systems which are "mixed" systems, which were not up to the manufacturer's specifications. Ms. Flaherty stated HB 222 would make the systems meet the standards which are required by the Fire Marshall. She stated the consumer has the right to buy from whomever they want.

Representative Tim Sayles, House District 31, stated his support of HB 222. He stated HB 222 would provide for public safety and the enforcement of the safety. He stated HB 222 would provide a fee structure which would prevent "fly-by-night" operations from selling their products in the state.

Kenneth Olson, Northern Fire Protection, stated the fees were necessary for quality work by quality personnel. He stated the problems in the industry were from a lack of funding. Mr. Olson stated HB 222 would make the fire protection business a true profession in Montana. He stated HB 222 would correct dangerous practices occurring in the fire protection industry and protect the consumer.

Mike Rigg, Owner, Fire Protection Business, stated he supports HB 222 because it would prevent the "rag and tag" operations occurring.

Larry McCann, Chairman, Fire Advisory Council, Fire Marshall, City of Billings stated his support of HB 222.

Lyle Nagel, Secretary/Treasurer, Montana State Fire Chiefs Association stated his support of HB 222. He stated at the last State Chief's Conference a resolution was drafted which asked the legislature to support HB 222.

John Hirschfelder, Northern Sound Communication, stated his support of HB 222. He stated public safety is the primary issue of HB 222. He supplied a letter for the Committee (Exhibit #2).

Dick Holme, Dick's Fire Service, stated his support of HB 222.

Lynn Perkins, Fire Suppression Systems stated the fee structure in HB 222 was fair. He stated the money generated would be used to enforce the provisions of HB 222.

Opponents' Testimony:

Joe Moline, Big Sky Fire Equipment, stated he opposed HB 222. He stated the larger stores should not be exempted from the provisions in HB 222.

Kenneth Brown, Security by Kenco, stated HB 222 would be detrimental to small businesses. He stated HB 222 would impose a "hidden tax" which would be felt by the public. Mr. Brown stated HB 222 would place additional pressure on businesses in Montana. He stated fire prevention is a concern and a need of all persons in the state and the tax burden for the need should be carried by all citizens and not by specific groups and businesses.

Ben Larango, Missoula Fire Equipment, stated his company could not afford the fees which would be charged. He stated less than 50% of his business was the recharging and servicing of extinguisher's. He stated the licensing law should govern the service and the sales of hand portable fire extinguishers. He supplied the Committee with a copy of articles from the Missoulian (Exhibit #3).

Dave Spoversis, Billings Extinguishing Service, stated he opposed HB 222. He stated according to current law, people should be licensed. He stated the fees are too high and the selling of portable extinguishers is important.

Jack Martinz, Manager, Superior Fire Apparatus, provided the Committee members with a letter opposing HB 222 (Exhibit #4).

Dale Ahrens, Supervising Teacher, Pioneer School, Yellowstone County, stated his concern is with safety. He stated unless a person has certification, he will not allow a person who is inspecting his equipment to do so. He stated HB 222 would not stop persons without certification from inspecting the equipment. He stated the increase in fees would be passed on to the outfitters.

Sonny Moline, Big Sky Fire Equipment, stated he opposed HB 222 because it would not control the selling of fire extinguishers. He stated the selling is as important as the servicing of fire extinguishers.

Questions From Committee Members and Responses:

Senator Mesaros asked Ms. Baker what the cost of implementation would be without basing the increases on other states. Ms. Baker stated the fees were based on the need to run the program effectively. She stated the fee structure was based on other state's fees so the amounts would not be exorbitant. She stated the laws are on the books, but not being enforced because the Department does not have the resources to do anything. She stated the fee in place has raised \$700 and has not allowed for enforcement of the current statutes. Senator Mesaros asked Ms. Baker where the figure of "350 entities" came from. Ms. Baker stated the number was an estimate from the renewal of licenses.

Senator Brenden asked Ms. Baker how the fee structure would affect the rural areas. Ms. Baker stated she had no statistics

on the subject. She stated the intent of HB 222 would be to broaden protection for the consumer.

Senator Koehnke asked Ms. Baker if there is a lack of funding for the enforcement of the current statutes. Ms. Baker stated the current law does not allow the Fire Marshall to obtain the fees or penalties which would be generated by enforcement. She stated the question is lack of manpower. She stated the staff is insufficient to cover the area which needs to be inspected. Senator Koehnke asked Ms. Baker if it would be feasible for the Department to license all of the larger stores, also. Ms. Baker stated the Department had no objection to licensing the sellers, but it was not a practical issue.

Senator Gage asked Ms. Baker if the fiscal note included the reimbursement of travel costs. Ms. Baker stated the Department anticipated the field deputies would performing the functions which were currently performed by the Marshals. She stated the field deputies would be evenly distributed throughout the state according to need. She stated the one-time processing fee would cover the costs of the field deputies. Senator Gage stated the volunteer fire department he had worked for serviced their own equipment and extinguishers. He asked if volunteer firemen would have to be licensed. Ms. Baker stated anyone engaging in the business of servicing fire extinguishers must attain a license.

Senator Christiaens asked Bruce Suenram, Chief of the Fire Investigation Bureau, if the six FTE's are placed around the state. He then asked what the other six and a half FTE's do. Mr. Suenram stated two and a half of the FTE's were removed during special session. He stated six of the Deputies were located in offices around the state and the remaining 4 people were himself and the office staff. Senator Christiaens asked Mr. Suenram if the inspectors were inspecting everybody yearly. Mr. Suenram stated the Bureau only investigates 40% of the schools and there is a tier response to other businesses and industry. He stated inspections of fire equipment dealers is the lowest priority. Senator Christiaens asked Mr. Suenram if the current status of the budget would include the 12 and a half FTE's. Mr. Suenram stated the budget would include the specified number of FTE's.

Senator Klampe asked Mr. McCann if he could provide evidence which would make HB 222 absolutely necessary. Mr. McCann referred to two instances where extensive damage had occurred because fire systems did not work. He stated the instances occurred because the persons selling the systems were not licensed.

Senator Lynch asked Mr. McCann if the systems in question had been inspected. Mr. McCann stated the systems had not been inspected.

ROLL CALL

SENATE COMMITTEE Business & Industry DATE 3/3/93

NAME	PRESENT	ABSENT	EXCUSED
Senator Lynch	✓		
Senator Christaens	✓		
Senator Bruski-Maus	✓		
Senator Gage	✓		
Senator Hager		/	
Senator Harding	✓		
Senator Kennedy	✓		
Senator Klampe	✓		
Senator Koehnke	✓		
Senator Mesaros	✓		
Senator Rea	✓		
Senator Fenn Brunden	✓		
Senator Wilson	✓		

FACT SHEET: HB 222

Department of Justice

March 1993

Purpose: To revise provisions of Montana law relating to the licensure of businesses that sell, install and service certain fire protection equipment. The legislation aims to protect life and property from uncontrolled fire due to deficient fire protection systems.

Funding Source: State law now requires the Department of Justice to license, certify and register fire safety equipment businesses. The Department is authorized by law to collect fees of up to \$50 for each license, permit or certificate issued. In FY 92, the fees generated only \$700, which was deposited into the general fund.

Under HB 222, as amended, the license fee would be increased to \$300 and each person performing services under the license would have to obtain an endorsement for the services to be performed. Endorsements would be based on nationally recognized testing standards. Fees would be \$100 for fire extinguishers, \$175 for fire alarm systems, \$175 for special agent fire suppression systems and \$175 for fire sprinkler systems. Representatives of the fire safety equipment industry participated in preparing this legislation and most support the fee increase. The proposed fees are comparable to similar fees collected by neighboring states.

Need: The Fire Prevention and Investigation Bureau of the Department of Justice administers the licensing function. The Uniform Fire Code, which sets the standards for fire protection equipment, is updated every three years, but staff shortages have hampered the Bureau's ability to develop and administer examinations based on contemporary standards. The recording system and testing programs used by the Bureau are at least 20 years old.

This problem was examined by the Fire Prevention and Investigation Advisory Council, a statutorily created council whose function is to advise the Department of Justice on issues affecting fire services. Its members, appointed by the Attorney General, represent the fire service and law enforcement communities as well as the Legislature. The Council received input from the industry and determined that this legislation would provide the best means of ensuring consumer protection and public safety.

With over 20 years of accumulated licensing data, the Bureau's files include approximately 750-850 licenses for fire protection equipment businesses. Although administrative rule requires renewal every two years, many businesses have not requested renewal and probably are no longer active. The proposed legislation will permit adoption of rules that incorporate nationally recognized standards and will provide uniformity and reliability to the program. The Bureau expects to hire two deputy state fire marshals and one support staff member with the funds generated by the increased fees.

Relationship of Funding to Services Performed: The fees currently collected do not cover the costs of managing the program. Retention of the fees generated will enable the Bureau to review plans, inspect applicants' facilities, and maintain the fire safety standards required by state law and necessary to ensure public safety.

SENATE BUSINESS & INDUSTRY
EXHIBIT NO. 1
DATE 3/1/93

1

ROUNDUP

Police want to extinguish scam

MISSOULA — A man wanted by Missoula authorities for selling fire extinguishers door-to-door, then failing to deliver, was arrested by the Montana Highway Patrol Wednesday night.

Missoula County Sheriff's Sgt. Larry Jackson said Bruce A. Cech was arrested after returning to a Huson house, where he had a halon-type fire extinguisher.

The man who bought the extinguisher had become suspicious, cancelled payment on the check he had given Cech. When Cech showed up at the house, the man called police, Jackson said.

Cech was booked into the Missoula County Jail on two charges of misdemeanor theft by deception, in addition to a Montana Highway Patrol traffic warrant from Mineral County. He was released on \$870 bond later Wednesday night.

"He's been taking orders and advance payments and not delivering the extinguishers," Jackson said.

Missoula Rural Fire Department Assistant Chief Bill Reed said Cech, who is also wanted on a warrant out of Kalispell, demonstrated the extinguisher by setting a small fire with lighter fluid, then putting it out. Reed said Cech has sold extinguishers for less than \$100 for \$150 and up.

Jackson said Cech calls his business American Safety Products, which lists a Kalispell address of 1101 Whitefish Stage. Cech is not licensed to sell fire extinguishers, according to code.

Missoulian

3

ROUNDUP

Associated Press

Salesman charged again with theft

■ THOMPSON FALLS — An itinerant fire extinguisher salesman who allegedly failed to deliver the goods he sold was charged this week in Sanders County District Court with felony theft.

The defendant, Bruce Alan Cech, 30, of Kalispell, is also charged in Missoula County with a similar offense, and was released on \$5,000 bond.

Court documents state that Cech took payment for more than \$300 worth of fire extinguishers from customers in eastern Sanders County, but failed to deliver fire extinguishers of the type promised, or in some cases, in the amount promised.

He is scheduled to appear on the theft charge March 9 in District Court in Thompson Falls.

John Strommes, Missoulian

Police seek fire extinguisher salesman

SENATE BUSINESS & INDUSTRY

EXHIBIT NO. 3

DATE 3/3/93

BILL NO. HB 222

2

Fire-extinguisher peddler charged with theft

A Kalispell man accused of selling fire extinguishers and then failing to deliver the merchandise made his initial appearance Friday in Missoula Justice Court on a charge of felony theft.

Bruce Alan Cech, 30, is accused of felony theft and misdemeanor sale of fire extinguishers without a license. Cech was arrested Wednesday by the Montana Highway Patrol, shortly after he returned to a Huson home where he had previously sold a halon-type extinguisher. The resident, who had canceled a check he'd previously given Cech after becoming suspicious of the door-to-door salesman, called authorities when Cech paid him a visit. Cech is accused of selling but not delivering fire extinguishers to three Missoula County residents. He also is wanted in Flathead County for selling extinguishers without a license, as a fugitive from justice in Great Falls, and on several traffic counts out of Mineral County. Cech's Missoula bond was set at \$5,000, which he posted.

Michael Moore, Missoulian

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NORTHERN SOUND & COMMUNICATION

43 Woodland Park Drive
(406)752-3100

Kalispell, MT 59901
FAX(406)257-4890

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January 25, 1993

House Business & Economic Development Committee
Room 104
State of Montana

Gentlemen,

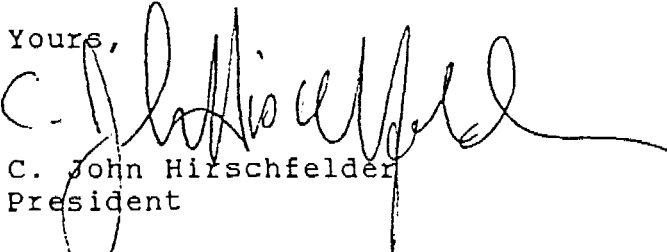
Northern Sound & Communication, Inc. produces approximately one hundred twenty five thousand dollars in gross sales annually of new fire alarm equipment in the State of Montana. An additional portion of our fire alarm revenues is service and additions to existing systems regardless of brand affiliation.

The systems I have seen, which at time of installation, did not meet existing Montana Electrical Codes, National Electrical Codes, and Underwriters Laboratories listings are to numerous to list. These systems are located in all types of building occupancies I.E. Licensed facilities & institutions, Motels/Hotels, Schools, public & private, Industrial applications and retail outlets. In general the unsuspecting building owners and consumers look to "Authorities Having Jurisdiction" to protect them from contractors and service personnel which either do not know code or just did not care enough to do a proper install.

The Department of Justice, Fire Marshals Bureau is that "authority" in a vast majority of the state. They therefore are the logical bureau to handle the state licensing of these "sales organizations & installers".

The fees asked for in the "Bill" are very minimal as a percentage of sales industry wide. Professionals active in the trade need to carry there own weight in these days of troubled financing and out of control budget deficits. To say that the public & consumers need a helping hand is a major under-statement. **Northern Sound & Communication therefore very strongly supports more and better licensing in the state and that includes HOUSE BILL 222.**

Yours,


C. John Hirschfelder
President

cc: file

SENATE BUSINESS & INDUSTRY

EXHIBIT NO. 2

DATE 3/3/93

BILL NO. HB 222

Superior Fire Apparatus Co

SENATE BUSINESS & INDUSTRY

EXHIBIT NO. 4

DATE 3/3/93

BILL NO. HB 222

Factory and Offices
Joslyn and Leslie Street
Helena, Montana 59601
Phone (406) 442-0745

February 20, 1993

SUBJECT: House Bill No. 222 an act revising licensure requirements for persons selling, installing, and servicing Fire Protection Equipment.

Dear Senator:

Enclosed you will find a reprint of a fax I sent to Bruce Suenram, State Fire Marshall, on February 8th, unfortunately he did not receive it until after the house subcommittee meeting of that date. Thus our position and suggestions were not considered and this bill passed in the house on February 13th. Hopefully you will be able to consider the facts and details, which many house members did not have when casting their vote, during your committee meeting on House Bill 222.

In reference to "exorbitant fees" I quote from H.B.222 section 5, pages 4 & 5, as follows: section 50-39-105, MCA, is amended to read: 50-39-105 fees: There is an annual 300.00 license fee. There is an annual fee for each endorsement required by 50-39-101, as follows: (2) (A) 100.00 to service fire extinguishers. (3) The fees may not be prorated. In the year of first application, there is an additional fee equal to the cost of processing the application (note that the amount of this fee is unknown).

In summary our firm, for example, would be required to pay a minimum of 500.00 per year plus whatever the amount of the unknown first year application fee. This is a minimum (300.00 + 2x 100.00 = 500.00) as we would have two persons (endorsements in the wording of this Bill) of course if we had a change in employee or employees we would pay another 100.00 fee for each change. Thus our total cost beyond 500.00 is unknown and does not include "additional fee equal to the cost of processing the application".

An explanation of my reference to "discrimination" in my fax to the the Fire Marshall, is as follows:

Note that the title of H.B.222 is "An act revising licensure requirements for persons selling, installing and servicing fire protection equipment". However the contents of this Bill contradicts the heading in that it only requires those of us who service fire extinguishers to pay fees and fall under the jurisdiction of this act. While our firm offers both sales & service, those firms /persons and/or entities that only sell fire

extinguishers do not come under the jurisdiction of this act and are not required to be licensed or pay any fees. This is discriminatory in that it exempts those persons, firms or entities that sell, but do not service fire extinguishers, giving them an unfair competitive advantage. This discriminating factor also contradicts the "statement of intent" contained in this Bill, in that it does not, quoting from this Bills statement of intent, "Insure that consumers receive safe and effective fire protection equipment". This selective, discriminating exemption allows the unqualified and/or unscrupulous to sell fire extinguishers which may not comply with the stated intent of this act.

One of the uppermost purposes of the original legislation of 1967 as promoted by then Fire Marshall William Pentilla and supported by myself and others was to control the "fly by night artists" that canvas an area of Montana selling & promoting fire protection equipment at often greatly inflated prices and which does not offer effective protection for consumers. These operations can and do canvas an area for a relatively short time, selling inadequate or substandard fire protection equipment, only to disappear, without a trace.

In fact my conscientious concern for the protection and preservation of life and property prompts me to point out that some of the fire extinguishers often sold by those who are exempted from the jurisdiction of this act, in its present form, is actually hazardous to life and property. I illustrated this hazard with equipment I brought to a meeting of Fire Prevention and Investigation Bureau Advisory Council held at the Attorney General's conference room on February 4th. Not only is such equipment hazardous for the consumer, it can also cause serious injury to anyone who may attempt to service this equipment.

My desire to provide a safe work place and working conditions for employees was a contributing factor in our refusing to recharge or service these hazardous extinguishers. These extinguishers are hazardous to property in that they can malfunction at the scene of a fire, failing to extinguish the fire, as a result of inherent weakness and/or lack of quality, as I illustrated at the afore mentioned advisory meeting on February 4th.

If this legislation included every person, firm or entity, that sells or services fire extinguishers, not only would discrimination be eliminated, but also the licensing and endorsement fees could be reasonable, as they were in the case of the original legislation of 1967 and still provide at least much of the additional revenue the Fire Marshalls Fire Prevention and Investigation Bureau desires.

If H.B.222 were passed in its present form we would be forced to discontinue servicing and recharging fire extinguishers as the resulting income simply cannot support the 500.00 fee plus the afore mentioned unknown additional fees required by this Bill.

HB222

February 20, 1993

3

Please consider that the passing of H.B.222 in its present form could create an additional, negative factor in the preservation of life and property, whereby the cost of the required fees would reduce the availability of service.

While some who service extinguishers may be able to continue to do so, most certainly they would have to pass their increased costs, resulting from the large fees, on to the consumer. The result could cause the additional hazard to life & property in that service may not be readily available and when available the cost would be a deterrent in that many owners especially those in the private sector, simply would not have their extinguishers properly serviced. A neglected extinguisher which malfunctions at the scene of a fire could result in the loss of life or property.

Please be advised that I would be glad to answer any questions you may have, either by phone or at a meeting, to which I would be invited. If I am invited to attend a meeting, I would appreciate a few days notice, as I am very busy and my obligations require me to be out of town on occasion.

Respectfully submitted



J.H. "Jack" Martinz, President

DATE 3/3/93

SENATE COMMITTEE ON Business and Industry

BILLS BEING HEARD TODAY: HB 222 HB 304 HB 339

Name	Representing	Bill No.	Check One	
			Support	Oppose
W. James Kumbel	Public Safety Div DOO	HB 339	✓	
James F. Brown	Bldg. Codes Bureau, DOC	HB 339	✓	
Ron Pletcher	Cenex	HB 339	✓	
Lyle Nagel	Mt. St. Fire Chiefs Assn	HB 222	✓	
Janelle Fallon	Mt Petroleum Ass'n	HB 339	✓	
Mike Rygg	Knight's Motel	HB 222	✓	
Leland Griffin	Mortgage Rpt G.	HB 339	✓	
John Squires	FIRE SUPPRESSION SYSTEMS	HB 222	✓	
Deborah	Northwest Sky	HB 222	✓	
She Moline	Big Sky Fire Equip	HB 222		✓
Bonny Moline	Big Sky Fire Equip	HB 222		✓
John Heschel	North Hill Sound Co	HB 222	✓	
Terry Olson	Northern Tier Fire Protection Chief York N.F.R.	HB 222	✓	
Kenneth Olson	Northern Tier Fire Protection	HB 222	✓	
Kelly Flaherty	CITIZEN	HB 222	✓	
LE McGinn	Mayor Council	HB 222	✓	

VISITOR REGISTER

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY

DATE 3/3/93SENATE COMMITTEE ON R & I

BILLS BEING HEARD TODAY: _____

Name	Representing	Bill No.	Check One	
			Support	Oppose
Dale Ahrens	Citizen	HB 222		✓
Jack Marting	Superior Fire App	HB 222		X
Kenneth R Brown	security by Kenco	HB 222		✓
Beth Baker	Dept of Justice	HB 222	✓	
Mary Lou Larango	Msia Fire Equip Assoc	HB 222		✓
Ben Larango	Msia Fire Equip	HB 222		✓
Mark Cerise	NAM Fire Safety	HB 222		✓
Dave Spruvsis	Bigs. Exh. Sr	HB 222		✓
Mike Micione	CONOCO	HB 339	X	
Dan Edwards	O.C.H.W	HB 339	X	
Chris Varone	Dept. of Justice	HB 222	X	
Dennis Fleit	City of Belling	HB 339	X	
John Augustus	Dept / Cruces	HB 339	✓	
Jim Sauls	H.D. 61	HB 222	✓	
Larry Tashemba	City of St. Paul	HB-339	✓	

VISITOR REGISTER

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY

DATE 3-3-93

SENATE COMMITTEE ON BUSINESS AND INDUSTRY

BILLS BEING HEARD TODAY: _____

Name	Representing	Bill No.	Check One	
			Support	Oppose
Roger McGlenn	INDEPENDENT INS. AGENTS ASSOC. OF MT	HB-304	✓	
Fred L. Taylor	Fred Taylor Fire Co.	HB332		✓
MARK E. NELSON	State Auditor ^{INS} Dept	HB304	✓	
Tom Every	EXON	HB339	✓	

VISITOR REGISTER

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY

MINUTES

MONTANA SENATE
53rd LEGISLATURE - REGULAR SESSION

COMMITTEE ON BUSINESS & INDUSTRY

Call to Order: By J.D. Lynch, Chair, on March 18, 1993, at 10:00 a.m.

ROLL CALL

Members Present:

Sen. J.D. Lynch, Chair (D)
Sen. Chris Christiaens, Vice Chair (D)
Sen. John Brenden (R)
Sen. Betty Bruski-Maus (D)
Sen. Delwyn Gage (R)
Sen. Ethel Harding (R)
Sen. Ed Kennedy (D)
Sen. Terry Klampe (D)
Sen. Francis Koehnke (D)
Sen. Kenneth Mesaros (R)
Sen. Doc Rea (D)
Sen. Bill Wilson (D)

Members Excused: Senator Hager

Members Absent: None.

Staff Present: Bart Campbell, Legislative Council
Kristie Wolter, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing: HB 441, HB 594, HJR 16, HJR 23
Executive Action: HB 222, HB 349, HB 371, HJR 16, HJR 23

EXECUTIVE ACTION ON HB 222

Motion:

Senator Christiaens moved HB 222 BE CONCURRED IN AS AMENDED (Exhibit #1).

Discussion:

Senator Brenden stated he opposed HB 222 because it would cost the people too much money. He stated there was no need for any full time employees (FTE's).

Senator Harding asked Beth Baker, Department of Justice, if the amendments would provide for the certification of inspectors. Ms. Baker stated the amendments would allow the Department to monitor the sale of portables.

Vote:

The motion CARRIED by Roll Call Vote.

EXECUTIVE ACTION ON HB 349

Motion/Vote:

Senator Wilson moved HB 349 BE CONCURRED IN. The motion CARRIED by Roll Call Vote.

EXECUTIVE ACTION ON HB 371

Motion/Vote:

Senator Brenden moved HB 371 BE CONCURRED IN. The motion CARRIED UNANIMOUSLY.

EXECUTIVE ACTION ON HB 433

Discussion:

Senator Harding stated she felt the owner of the bar is very innovative and can do without the gambling. She stated she felt he could still use sports pools.

Motion/Vote:

Senator Koehnke moved HB 433 BE AMENDED to say "outside of interior areas of the establishment where food and beverage are usually stored, prepared, or served" to clarify there would be no health problems. The motion CARRIED UNANIMOUSLY.

Motion:

Senator Harding moved HB 433 BE NOT CONCURRED IN AS AMENDED.

ROLL CALL

SENATE COMMITTEE Business and Industry DATE 3/18/93

NAME PRESENT ABSENT EXCUSED

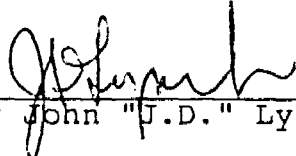
Senator Lynch	✓		
Senator Christiaens	✓		
Senator Brenden	✓		
Senator Gage	✓		
Senator Hager			✓
Senator Harding	✓		
Senator Kennedy	✓		
Senator Klampe	✓		
Senator Koehnke	✓		
Senator Mesaros	✓		
Senator Rea	✓		
Senator Bruski-Maus	✓		
Senator Wilson	✓		

SENATE STANDING COMMITTEE REPORT

Page 1 of 1
March 18, 1993

MR. PRESIDENT:

We, your committee on Business and Industry having had under consideration House Bill No. 222 (first reading copy -- blue), respectfully report that House Bill No. 222 be amended as follows and as so amended be concurred in.

Signed: 

Senator John "J.D." Lynch, Chair

That such amendments read:

1. Page 2, line 11.

Strike: "TO SERVICE fire extinguishers7 OR"

2. Page 5, line 3.

Strike: "\$300"

Insert: "\$200"

3. Page 5, line 6.

Following: "(A)"

Strike: "\$100 TO SERVICE FIRE EXTINGUISHERS;"

4. Page 5, line 7.

Strike: "(B) \$175"

Renumber: subsequent subsections

5. Page 5, line 9.

Strike: "\$175"

Insert: "\$100"

6. Page 5, line 11.

Strike: "\$175"

Insert: "\$100"

-END-

ROLL CALL VOTE

SENATE COMMITTEE Business & Ind. BILL NO. HB 222

DATE 3/18/93 TIME 10:00 (A.M.) P.M.

NAME YES NO

Senator Gage		
Senator Hager		
Senator Harding	✓	
Senator Mesaros		✓
Senator Brenden		✓
Senator Wilson	✓	
Senator Rea	✓	
Senator Klampe	✓	
Senator Koehnke	✓	
Senator Bruski-Maus	✓	
Senator Kennedy	✓	
Senator Christiaens	✓	
Senator Lynch		✓

Kristen Walt
SECRETARY

JD Lynch
CHAIR

MOTION: Be Concurred In As Amended

Amendments to House Bill 222
House Third Reading Copy

Prepared by Department of Justice

Alternative Two

1. Page 2, line 11.

Strike: "TO SERVICE fire extinguishers OR"

2. Page 5, line 3.

Following: "annual"

Strike: "\$300"

Insert: "\$200"

3. Page 5, line 6.

Following: "(A)"

Strike: "\$100 TO SERVICE FIRE EXTINGUISHERS;"

4. Page 5, line 7.

Strike: "(B) \$175"

Insert: "\$100"

5. Page 5, line 9.

Strike: "(C) \$175"

Insert: "(b) \$100"

6. Page 5, line 11

Strike: "(D) \$175"

Insert: "(c) \$100"

SENATE BUSINESS & INDUSTRY
EXHIBIT NO. 1
DATE 3/19/93
BILL NO. HR 233